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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 14, 2000

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

v.

UNITED ENERGY INC., d/b/a UNITED ENERGY OF VIRGINIA, INC. CASE NO. PUE000737

ORDER SETTING HEARING

On December 14, 2000, Staff of the State Corporation Commission ("Commission") filed a motion with the Commission alleging that United Energy Inc., d/b/a United Energy of Virginia, Inc. ("United Energy") is in violation of the Commission's Interim Rules Governing Electric and Natural Gas Retail Access Pilot Programs, 20 VAC 5-311-10 et seq. ("Interim Specifically, the Interim Rules require a competitive service provider to procure sufficient natural gas supply and delivery capacity, abide by applicable regulations and procedures of the Commission, and provide written notice to its customers and the local distribution company of termination at least 30 days prior to the date that service is scheduled to terminate.

In its motion, Commission Staff petitions the Commission (1) enjoin United Energy from terminating as of January 1, to: 2001, competitive energy service to its customers participating in the natural gas retail access pilot program of Columbia Gas of Virginia, Inc. ("Columbia Gas"); (2) require the Company to continue to provide competitive energy service until January 12, 2001; and (3) after such date, revoke the competitive energy service provider license held in the Commonwealth of Virginia by the Company.

Pursuant to 20 VAC 5-311-20 C 2 of the Interim Rules, the Commission may determine that a competitive service provider has failed to comply with the Interim Rules, and suspend or revoke a competitive service provider's license or take other actions as permitted by law or regulation as deemed necessary to protect the public interest, after providing notice and an opportunity for a hearing. Further, § 56-235.8 F 1 of the Virginia Electric Utility Restructuring Act (the "Act") provides that if the Commission determines that, after notice and opportunity for hearing, the competitive service provider has failed to comply with the Act or Commission rules, regulations, or orders, the Commission may enjoin such failure pursuant to its authority under the Act or Title 12.1 of the Code of Virginia.

In light of the time constraints in this matter, we have determined that a prompt hearing is necessary and we will hear this matter at 10:30 a.m. on December 19, 2000, in the Commission's second floor courtroom, Tyler Building, 1300 East Main Street, Richmond, Virginia. United Energy should be

prepared to respond and present evidence on the allegations contained in the Commission Staff Motion.

Upon consideration of the motion, IT IS HEREBY ORDERED THAT:

- (1) This matter shall be docketed and assigned Case No. PUE000737.
- (2) This matter shall be set for hearing at 10:30 a.m. on December 19, 2000, in the Commission's Second Floor Courtroom,

 Tyler Building, 1300 East Main Street, Richmond, Virginia, to hear evidence relevant to the Commission Staff motion.